

## Grow Wrap Super and Pension Service Product Update

Issued: 1 January 2023

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This Product Update is to be read in conjunction with the Grow Wrap Super and Pension Service (Service) Product Disclosure Statement (PDS) dated 1 July 2022 and any other disclosure documents issued by OnePath Custodians Pty Limited (Trustee) in connection with the Service.

### Why are we issuing this Product Update?

This Product Update covers a number of changes, including:

- allowing Western Australia de facto couples to split their superannuation from 28 September 2022;
- the reduction of the eligibility age from 60 to 55 years to make a downsizer contribution to super from 1 January 2023; and
- the removal of half-yearly member statements from 1 January 2023.

### Family law and superannuation splitting in Western Australia

Previously, under Commonwealth family law legislation, de facto couples in all states and territories were able to split their super benefits, except in Western Australia. From 28 September 2022, new legislation was passed to allow Western Australia de facto couples to use the Commonwealth law to split their superannuation like the other states and territories.

### Update to the PDS for the superannuation splitting changes in Western Australia

***As a result of this change, the “Superannuation and family law” section on page 57 of the PDS should be replaced with the below updated content:***

#### Superannuation and family law

Superannuation laws facilitate the division of a member's super on the breakdown of a marriage or de facto relationship. The laws enable the 'splitting' and 'flagging' of a super benefit.

'Splitting' means that the payment of the super benefit is split between the separating parties. 'Flagging' prevents the super benefit from being paid by us until the parties, or the court, decide how to split the benefit between the separating parties.

Splitting or flagging can be achieved by agreement between the separating parties, or by court order. If requested, we are required to provide information about your super to either:

- your Spouse or
- a person who intends to enter into an arrangement with you about splitting your super in the event of a separation of marriage or breakdown of a de facto relationship (same or different sex).

The request must be in a form prescribed by law. The law prevents us from telling you about any such request and from providing your address to a person requesting the information.

We may charge for costs incurred in attending to enquiries and/or other work in relation to family law and superannuation matters. Currently, we do not charge such fees. We will advise you of any change to this position.

The Trustee may create a separate interest in the superannuation fund for the non-member spouse (where an instruction has not been provided within 28 days), or transfer the non-member's entitlements to the Australian Taxation Office, in line with the provisions of the Superannuation Industry (Supervision) Regulations 1994 (Cth) and the Superannuation (Unclaimed Money and Lost Members) Act 1999. In accordance with the law, we may charge an administration fee in relation to such arrangements.

For more information, speak to your financial or legal adviser.

## Reducing the eligibility age for making a downsizer contribution

From 1 January 2023, the eligibility age to make a downsizer contribution to super will reduce from 60 to 55 years of age. The downsizer contribution allows eligible individuals to make a one-off contribution to their super from the proceeds of selling their home.

### Updates to the PDS for the new eligibility age for Downsizer contributions

**As a result of this change, the “Downsizer contributions to super” section on page 65 of the PDS should be replaced with the below updated content:**

#### **Downsizer contributions to super**

Individuals aged 55 and over who meet eligibility requirements are able to make contributions of up to \$300,000 to their super fund from the proceeds of selling their home. Both members of a couple are able to take advantage of this measure for the same home enabling up to \$600,000 to be contributed to super.

Downsizer contributions will not count towards the contribution caps and can be made regardless of satisfaction of the work test, total superannuation balance or if age 75 or over. Downsizer contributions are not tax deductible.

The measure applies to the sale of a main residence, where the contract was entered into on or after 1 July 2018. The home must have been owned for at least 10 years and the contribution made within 90 days (or longer period, if allowed) after settlement. Eligible individuals must notify the super fund in the approved form of a downsizer contribution. Other conditions may also apply.

For more information, please speak to your financial adviser or visit the ATO website.

**As a result of this change, the “Eligibility rules” table in the “Acceptance of superannuation contributions” section on page 66 of the PDS should be replaced with the below updated content:**

<b>Your age (when the contribution is made)</b>	<b>Contribution type accepted</b>
Under 55	All contribution types except for downsizer contributions
55 - 74	All contribution types including downsizer contributions
75+	Mandated employer contributions <sup>1</sup> and downsizer contributions only

1 Mandated employer contributions are contributions:

- that reduce an employer's potential liability for the SG charge; or
- that are a payment of a shortfall component; or
- in or towards satisfaction of the employer's obligation under an agreement certified, or award made, on or after 1 July 1986 by an industrial authority.

Personal and employer contributions may be accepted on or before the 28th day after the end of the month in which you turn 75.

## Removal of half-yearly member statements

We're removing half-yearly member statements from 1 January 2023 as you can stay in touch with your account and view the same information provided in this statement by using the Online Portal at any time. The Online Portal allows you to view the latest details of your account, such as your account balance, fees and costs incurred, transaction history, asset allocation and income you have received from your investments. We will continue to provide you with annual member statements.

## Updates to the PDS for the removal of half-yearly member statements

***As a result of this change, the "Key information" content for the "Statements" feature in the "Features at a glance" section on page 7 of the PDS should be replaced with the below updated content:***

Your annual member statement will be available online. You will receive an email when your annual statement becomes available online.

***As a result of this change, the "Statements" section on page 44 of the PDS should be replaced with the below updated content:***

### Statements

We will prepare a detailed statement on the value of your account, and any transactions that have taken place, once a year as at 30 June (your annual statement) and make it available online

If you have received a benefit payment from your superannuation account, we will provide you with a payment summary statement to assist you in completing your income tax return.

***As a result of this change, the 10<sup>th</sup> point under the "Online access to your account" section on page 44 of the PDS should be replaced with the below updated content:***

- access copies of your annual statements

## Any questions?

If you have any questions, please:

- call Customer Services on **1800 095 825**
- email **service@wrapinvest.com.au**

This Product Update is issued by OnePath Custodians Pty Limited (Trustee) (ABN 12 008 508 496, AFSL 238346, RSE L0000673) for the Grow Wrap Super and Pension Service. The Trustee is a member of the Insignia Financial Group of companies comprising Insignia Financial Ltd (ABN 49 100 103 722) (Insignia Financial) and its related bodies corporate. Insignia Financial, the Trustee, and its related bodies corporate and associated entities do not guarantee the repayment of capital, the performance of, or any rate of return of an investment in the product issued by the Trustee. Such an investment is subject to investment risk and other risks, including delays in the repayment of capital and loss of income and principal invested. Past performance is not an indication of future performance.

The information provided is of a general nature and does not take into account your personal needs, financial circumstances or objectives. Before acting on this information, you must consider the appropriateness of the information, having regard to your needs, financial circumstances and objectives. You must also read the relevant PDS, this information and any other current disclosure documents which are available by calling Customer Services on 1800 095 825 or visiting wrapinvest.com.au before making any investment decision.

The information in this document is current as at the date on this document and may be subject to change. For further information, please contact your financial adviser or Customer Services on 1800 095 825.